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April 24, 2019

Debra A. Howland
Executive Director and Secretary
New Hampshire Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, NH 03301-2429

Re: Northern Utilities, Inc. – Docket No. DG 17-070 Step 2 Distribution Rate
Adjustment Effective May 1, 2019

Dear Director Howland:

Please find enclosed an original and six (6) copies of Northern Utilities, Inc. d/b/a ("the Company" or "Northern") Revised Supplemental filing of its Step 2 Distribution Rate Adjustment ("Revised Supplemental Filing"). This Revised Supplemental Filing updates the additions amounts on Revised Supplemental Attachment 2, at Page 3, to correctly match the amount of install costs of \$9,136,655, as shown on Revised Supplemental Attachment 2, at Page 2. The correction listed on Revised Supplemental Attachment 2 was discussed at the hearing held on April 17, 2019. This correction reduces the annualized depreciation expense and results in a revenue requirement that is \$4,751 lower than the revenue requirement provided in the Company's Supplemental Step 2 filing submitted on April 8, 2019.

The proposed distribution rate schedules (clean and red-lined tariff sheets), reflecting the revised revenue requirement, are included as Revised Supplemental Attachment 1. The revenue requirement is calculated in Revised Supplemental Attachment 2 and is based on the method illustrated in Exhibit 3 of the Settlement. The increase in distribution rates is calculated based on the method illustrated in Exhibit 4 of the Settlement. Revised Supplemental Attachment 3 includes the derivation and the proposed distribution rates.

The impact of the Step 2 Distribution Rate Adjustment on each customer class is illustrated in Revised Supplemental Attachment 4. The impacts are shown from a distribution-only and a total monthly bill basis. For the Residential Heating customer class, the monthly increases range from 1.8% to 4.0%, on a total bill basis, depending on the customer's usage level. Bill impacts for other rate classes are similar, but vary based on consumption level and pattern.

Sincerely,

A handwritten signature in black ink, appearing to read "Gary Epler".

Gary Epler
Attorney for Northern Utilities, Inc.

Attachments

cc: D. Maurice Kreis, Consumer Advocate
Service List (email only)

Gary Epler
Chief Regulatory Counsel
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